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# Can the CIA Win Spy War?

*"We are in possibly the most menacing period since Wor who believes that the answer to the Soviet challenge lies how intelligent is our intelligence?"*

By Tad Szulc

—In Saudi Arabia, radical plotters are conspiring to overthrow the rulers of the oil kingdom in an ominous replay of the Iranian revolution.

—In strife-ridden Central America, Cuban operatives are secretly delivering weapons to leftist rebels.

—In Western European capitals, Soviet diplomats are subtly seeking to encourage the new wave of neutralism.

—At their proving grounds in Central Asia, the Russians are flight-testing a new intercontinental ballistic missile (ICBM) with 10 nuclear warheads, a super-rocket designed to hit targets in the United States with deadly accuracy.

These are just a few of the crucial problems and dangers facing the United States at a time of rising tension with the Soviet Union and general international upheaval. We are in possibly the most menacing period since World War II.

For America to be able to deal effectively with threats of this kind, we need precise, detailed and timely knowledge of what is happening around the globe on a daily basis. In other words, the greatest self-defense requirement for the United States, as seen by the Reagan Administration, is a first-rate capability for gathering and interpreting intelligence — as well as

Tad Szulc has written 14 books on foreign policy. His first novel, *Diplomatic Immunity*, will be published by Simon & Schuster later this month.

for influencing events in foreign countries through secret means and resources.

But according to the most experienced experts in Washington, United States Intelligence — the Central Intelligence Agency and its military sister agencies — has been falling short of superb performance, to say the least, in recent years. This is believed to be true of both "human" and technical intelligence, from cloak-and-dagger espionage to the spy-in-the-sky (satellite) surveillance of Soviet nuclear advances.

The rebuilding, streamlining and modernizing of American intelligence operations looms, therefore, as one of the highest priorities for the Reagan Administration and the new leadership team it fielded earlier this year. The decision to revive and step up covert activities abroad — ranging from clandestine arms aid to anti-Soviet fighters in Afghanistan to efforts at gaining decisive political influence in the petroleum-rich Persian Gulf — is part of the current upgrading plan. Much more must be done, however, to restore primacy to the United States in the elusive world of intelligence.

The immediate responsibility for improving American intelligence lies with William J. Casey, the 68-year-old New York lawyer who was named by President Reagan as Director of Central Intelligence after managing his election campaign. Under the law, Casey is head of the entire intelligence community (comprising the CIA; the Pentagon-run National Security

reference to the low morale pervading the Agency since the Congressional investigations of the mid-1970's and continuing through the tenure of Admiral Stansfield Turner as CIA Director during the Carter Administration.

How well Casey will succeed remains a serious question mark in Washington. Though he has been touted as an "old hand" at intelligence, there are many doubts among intelligence professionals concerning his leadership qualities, including his limited experience in this field. Casey served for three wartime years as a London-based senior officer in the Office of Strategic Services, the CIA's forerunner, but did not join the CIA afterward. His only other direct exposure to intelligence was his service in 1976 on the Murphy Commission, which surveyed the work of the intelligence community. Casey's exposure

IN HIS STATE OF THE UNION address, President Carter called for the end of unwarranted restrictions on American intelligence agencies. "An effective intelligence capability," he said, "is vital to our nation's security." Although the remark drew an ovation, there have been no dramatic initiatives from the Carter administration to revitalize what is generally considered to be a demoralized and often dangerously ineffective American intelligence community. Yet the president's words demonstrate that the mood of the administration—and with it, by all indications, that of the country—has changed dramatically from the time when the Central Intelligence Agency was considered to be a "rogue elephant" dangerously out of control.

What is required to realize the president's goals? According to those who have spent their lives in and around the intelligence business, the primary requirement is a change in the domestic attitude toward the CIA. Such persons—including former directors and top officials of the agency—say the CIA must be freed from some of the more exaggerated forms of congressional scrutiny, such as the Hughes-Ryan Amendment, which gives more than 200 senators and staff members access to agency data. They also urge that those members of government and the media who have harassed the intelligence community for the past half decade must now recognize that a viable intelligence agency is urgently needed. And, they say, the agency and the intelligence community as a whole badly need the finest possible leadership, both from the White House and from the office of the director of central intelligence (DCI). That post is currently occupied by Admiral Stansfield Turner, and in the view of an impressive number of intelligence experts, Admiral Turner is not able to lead the CIA back to respectability.

WITHIN MONTHS OF HIS 1977 appointment as DCI, Stansfield Turner had acquired the nickname "Captain Queeg" in CIA headquarters in Langley, Virginia.

One morning in January 1979, he came to work to find the bulletin boards and mailboxes full of a forged edition of his own "Notes From the Director." Dated January 15, it has become an underground classic in the intelligence community:

I was in my office fairly exhausted last evening after stopping for a long day. I asked the

Michael Ledeen is executive editor of The Washington Quarterly.

NEW YORK

# Tinker, Sailor,

By Michael Ledeen



Stansfield Turner, critics say, has demoralized and politicized the CIA.

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# Notes from the Director

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## FORMATION OF CIA EXECUTIVE COMMITTEE

Frank Carlucci and I have felt the need to have a better means of obtaining an Agency-wide point of view on problems that come before us for decision. It is one thing to staff our paperwork so that all concerned components have an opportunity to comment. It is quite another to have a forum in which the participants are encouraged to take the viewpoint of what is best for the Agency as a whole, as well as expressing the outlook of their individual constituencies. Accordingly, in order to help bring together a better Agency focus on problems, I have established a CIA Executive Committee, which will replace the Executive Advisory Group (EAG). Although its role will not differ significantly from the EAG, the new title more accurately describes the Committee, which has been newly energized.

The Committee will consist of the Deputy Director for Administration, the Deputy Director for Operations, the Deputy Director for Science and Technology, the Deputy Director for National Foreign Assessment, the Comptroller, and the Director, Equal Employment Opportunity. Other senior officers will be asked to participate on subjects of particular concern to them. I will chair the Committee; the DDCI will be Vice Chairman. In addition there will be a small and permanent staff for the Executive Committee. It will be responsible for ensuring that all the Committee members have the appropriate materials for each meeting; that these materials are in the best form for making decisions; and particularly that all alternatives are available for consideration. The Executive Committee will build on the experience of the EAG, but the emphasis will shift to Agency policy issues and important long-range planning problems. My hope is that the Committee, which will meet weekly and have substantial full-time support, will provide us with an *Agency* perspective that has been lacking in several areas.

We are now looking at a list of candidate agenda topics including substantive issues such as identifying and planning for the critical intelligence problems of the next five to ten years.

I believe the creation of the Executive Committee is an important move that will bring the members of our management team in closer touch on matters of importance to all of us. I will keep you informed of its progress.

## AN EVALUATION OF AGENCY PERSONNEL MANAGEMENT

In November 1978, I announced that a review would be made of the entire Agency personnel system by an expert, outside source. I am pleased to inform you

jury trial to recover punitive damages from Snepp on the basis of his deliberate violation of his secrecy agreement. The extent of the damages that might be awarded by a jury is of course uncertain, but the award might well equal, and conceivably could exceed, the profits that Snepp derived from the book. The purposes of punitive damages are to punish an individual for his misconduct and to deter others from engaging in similar conduct.

5. The court also said that it would have upheld a recovery of Snepp's earnings on a "constructive trust" theory had CIA alleged, which it did not, and proved that the book contained classified information. What that means is that a trust remedy will be available against others who include information that can be shown to be classified in books that are published without prior Agency review.

In summary, The Appeals Court has firmly upheld our position that the Secrecy Agreement is a valid contract, that Frank Snepp breached that contract and that damages may be recovered for that violation. It simply ruled that the legal basis on which a constructive trust had been awarded by the District Court was not proper and that further legal action to recover damages will be necessary before a jury.

## PRESIDENTIAL RECOGNITION LETTERS

In Notes No. 37, 8 January 1979, I mentioned that 11 Agency employees received Presidential Letters of Commendation during 1978. I am especially proud to announce that thus far in 1979 an additional 23 Agency employees have received Presidential Letters of Commendation for their suggestions and achievements. Heartiest congratulations to all who have been honored, including the following:

The names of 16 additional recipients cannot be published here for security considerations. Suffice it to say, however, that 11 of those awards went to DDS&T and five to DDA.

We have been informed by the Director of Incentive Systems, Office of Personnel Management:

- That 30 departments and agencies have thus far received Presidential Recognition Letters for their employees.
- That 34 CIA employees have now received Presidential Letters for their suggestions or achievements, for total savings of \$729,528.
- That we are seventh in total number of employees recognized ninth in cases submitted, and tenth in overall benefits.

We have thus far outperformed several agencies having much larger strength, which does not surprise me. Please join me in applauding the honorees.

## SENIOR REVIEW PANEL

The new Senior Review Panel, established to assist the Deputy Director for National Foreign Assessment and me in improving the quality of major intelligence products and their usefulness to policymakers, has been operating for several months. Its functions are to review both Intelligence Community and National Foreign Assessment Center products at various stages in their preparation, to audit finished intelligence, and to advise the Deputy Director for National Foreign Assessment in overall production planning. The Panel promises to provide a valuable crosscheck on our objectivity by ensuring an independent view of both the process and the product of intelligence.

Our analytical effort will benefit from the cumulative experience and acumen of the three distinguished panel members: [REDACTED]

[REDACTED] who bring with them a wealth of relevant experience from the diplomatic, academic and military communities.

I know that all employees join me in welcoming the members of the Senior Review Panel as they join us in our common goal of providing the leaders of our government with the best intelligence analysis of which we are capable. Following is a brief introduction to each Panel member.

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## THE SNEPP APPEAL

On March 20, 1979, the U.S. Court of Appeals for the Fourth Circuit in Richmond, Virginia issued its opinion in the case *United States v. Frank W. Snepp, III*. I am sure that many of you have read the newspaper accounts of the opinion and have seen television reports on this subject. Since there is still considerable uncertainty in the minds of many employees about what the court did or did not hold, the following constitutes a brief summary of the major rulings of the court.

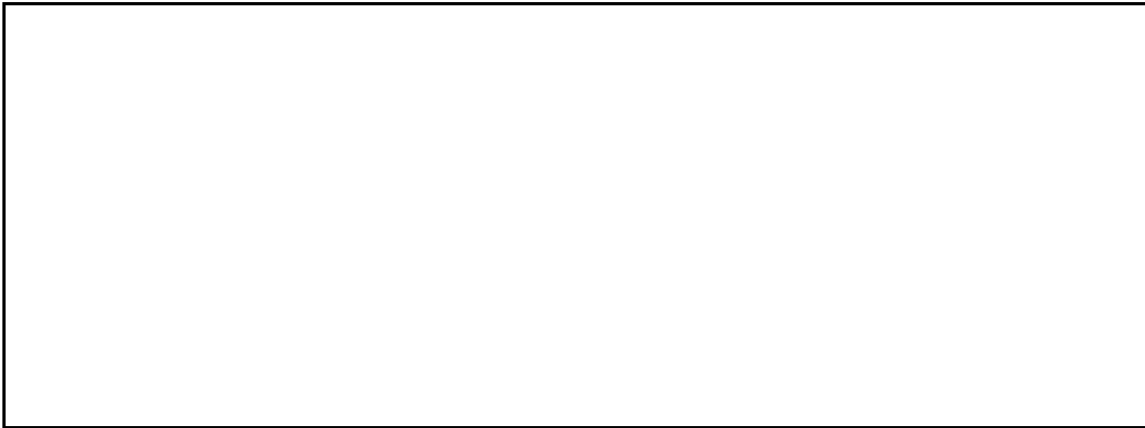
1. The Entry on Duty Secrecy Agreement that Frank Snepp signed was held to be a legally binding contract not in violation of any first amendment rights. In this regard, the court affirmed its earlier decision in *United States v. Victor L. Marchetti* (466 F2d 1309) which upheld the constitutionality of the CIA secrecy agreement.

2. Frank Snepp was found to have breached his secrecy agreement by failing to submit his book *Decent Interval* to the Agency for review prior to publication to ensure that it did not contain classified information. He is enjoined from publishing any further works concerning CIA or intelligence activities generally, based on information acquired in the course of his Agency employment, without first submitting them to the Agency for review. The court held that the prepublication review requirement applies to all manuscripts concerning CIA or intelligence activities that are prepared by former Agency employees who have signed secrecy agreements of the type signed by Snepp.

3. Snepp's defenses that the terms of the Termination Secrecy Agreement superseded the Entry on Duty Secrecy Agreement, that he was not allowed to air his grievances about the evacuation of Saigon in-house, that he was misled about the meaning of the Entry on Duty Secrecy Agreement and that he was "singled out" for "prosecution" by the government were all held to be legally insufficient and rejected by the Court.

4. CIA will not be allowed to recover Snepp's earnings from the book based on a theory of "constructive trust." Rather, the court found that CIA can seek a

Chicago in 1941. He was an economist at the Ford Research Institute at Stanford University from 1941 to 1945, and at the Institute of International Studies at Yale from 1945 to 1952. From 1952 to the present, Dr. Knorr has been a Professor of International Affairs at Princeton. He also has been a consultant to the Departments of State and Defense, CIA, Sandia Corporation, RAND, and the Hudson Institute.



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STANSFIELD TURNER  
Director